

November 26, 2015

From the desk of Arun Jain

Reference to the news item of today regarding an ex parte Interim Order passed by SEBI on 24th November 2015 against me, it is clarified that the matter pertains to a set of facts of 2008 pursuant to which an investigation was conducted. Based on conjecture, SEBI has concluded that the trades were made while in possession of unpublished price sensitive information.

The Interim Order by its very nature is not a conclusive finding. As I am keen to have this matter resolved at the earliest, I would be taking all steps as legally advised to defend myself against the serious harm to reputation caused by this Order including by contesting vigorously the contents and conclusions drawn by SEBI. The allegations are clearly denied and I am confident that upon appreciation of the robust defense that would be put up, they would be dropped.

Meanwhile, to demonstrate bonafides, the amount asked to be deposited by SEBI has been deposited under protest.

A few data points:

1. In an earlier matter, SEBI's order of October 2012 involving selling of 15080 shares was quashed by the SAT in Dec 2013 with SEBI unconditionally allowing the appeal.
2. In the last 13 years since March 2002, I have not sold a single Polaris share.